



CENTRAL INTELLIGENCE AGENCY

THE PRESIDENT'S DAILY BRIEF



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13 AUGUST 1966

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1. Vietnam

French officials are reported to have set aside time for a short meeting between De Gaulle and a representative of Ho Chi Minh during De Gaulle's visit to Cambodia beginning late this month. De Gaulle himself is said not yet to have responded to the proposal.

There are a number of reports that the French President intends to make a major pronouncement on Vietnam during his three-day stay in Cambodia. This could be, although as far as we can tell, De Gaulle still feels the situation is not yet ripe for a French initiative.

De Gaulle may well see an advantage, however, in trying to demonstrate that France is in a unique position to serve as a mediator at some time in the future.

2. USSR

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3. West Germany

The economy is generally "quite satisfactory," according to a recent assessment by the US Embassy.

There is, to be sure, a slowing growth rate, a relatively low rate of industrial investment, and a tight money market. However, price stability--a major current objective--appears to have been achieved, and should permit an easing of money restrictions. This, plus Erhard's economic stabilization law, ought to get the economy back on an even keel.

All this will help Erhard by showing that he can still work his old economic magic.

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4. Nigeria

The army is apparently being broken up along tribal lines. Yesterday a 20-car train, filled with northern troops, headed north from the Eastern Region and will presumably return with eastern troops now in the Northern Region. Some of the northerners, now accustomed to the eastern fleshpots, are reluctant to return to their strait-laced homeland.

This switch will reduce tensions on the short haul, but will probably transform the army, once a force for national stability and unity, into groups supporting regional and tribal interests.

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5. Dominican Republic

There was a firefight last night between police and suspected leftist elements in the former rebel area of Santo Domingo. The demonstrations have been quelled at least for the moment.

The trouble started when police units were suddenly attacked with automatic weapons and grenades, apparently in revenge for the unexplained and probably mortal wounding earlier in the night of a former rebel leader.

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This incident illustrates the tinder-box situation in Santo Domingo, where lots of hotheads still have automatic weapons and explosives.

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